

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 6/17/2014	(3) CONTACT/PHONE Ted Bench, Planner III / 781-5701	
(4) SUBJECT Submittal of a resolution and an amended Affordable Housing Agreement for the Borges project in Cambria. District 2.			
(5) RECOMMENDED ACTION It is recommended that the Board adopt and instruct the chairperson to sign the attached resolution to approve the "Amended Agreement to Provide Housing Units for Persons and Families of Lower Income."			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { X } Consent    { } Presentation    { } Hearing (Time Est. ____ )    { } Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS { X } Resolutions    { } Contracts    { } Ordinances    { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required    { X } N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { X } N/A    Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) District 2			

## County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Ted Bench, Planner III

VIA: Wes Drysdale, Administrative Services Manager

DATE: 6/17/2014

SUBJECT: Submittal of a resolution and an amended Affordable Housing Agreement for the Borges project in Cambria. District 2.

### **RECOMMENDATION**

It is recommended that the Board adopt and instruct the chairperson to sign the attached resolution and the "Amended Agreement to Provide Housing Units for Persons and Families of Lower Income."

### **DISCUSSION**

Jeff Borges has constructed a five unit rental project for lower income households. The units are all single family dwellings on separate legal lots. Mr. Borges wants to be allowed to rent or sell the houses to lower income households. The units are located on McCabe Drive and Green Street in Cambria (see Attachment C).

Both the County and the Cambria Community Services District (CSD) approved this project. A rental agreement was recorded to secure a 30 year affordability period. The agreement must be amended to allow Mr. Borges to have the option of selling the units. The amended agreement will govern the units that are sold. Any unsold units will remain under the original rental agreement.

The project has four lower income rental units and one manager's unit (with no income limit). The amended agreement enforces the original 30 year affordability period. All units that are rented or sold will remain subject to the 30 year period. If all of the rental units are sold within the 30 year period then the manager's unit must also be sold as a lower income unit. When the 30 year period expires then any remaining rental units and the manager's unit are released by the original agreement.

The CSD provides water service through a program that reserves water meters for lower income housing units. The County authorized the project by issuing a Minor Use Permit, and by recording a 30 year affordability agreement pursuant to its affordable housing ordinance (Coastal Zone Land Use Ordinance Section 23.04.092). The CSD would prefer that the project remain a rental project or that all units be sold quickly to eligible buyers. The amended agreement does not force a quick sale of the entire project.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

The attached resolution and amended agreement have been reviewed by County Counsel. County Counsel has approved the resolution and agreement as to form and legal effect.

The staff of the Cambria Community Services District was consulted on this matter.

### **FINANCIAL CONSIDERATIONS**

All County staff costs for administering the Minor Use Permit and the affordable housing agreement(s) are contained within the Planning and Building Department budget.

### **RESULTS**

If the amended agreement is approved, it will provide the developer with more flexibility in how he meets the affordability requirements. That flexibility can help make affordable housing projects more feasible to develop. This amended agreement is consistent with the countywide goals of promoting prosperous and livable communities.

### **ATTACHMENTS**

1. Attachment A: Resolution
2. Attachment B: Amended Agreement
3. Attachment C: Vicinity Maps